

**HEALTH CARE AUTHORITY
Washington Medicaid Program
Olympia, Washington**

To: Outpatient Hospitals
Managed Care Organizations

Memo # : 11-75
Issued: December 30, 2011

From: Doug Porter, Director
Health Care Authority

For information contact:
1-800-562-3022 or go to:
<http://hrsa.dshs.wa.gov/contact/default.aspx>

Subject: Outpatient Hospital Services: Update Fee Schedule, Implement Coverage Changes, Highlight Outpatient Prospective Payment System (OPPS) Budget Target Adjuster and Rate Revisions

Effective for dates of service on and after January 1, 2012, the Medicaid Program of the Health Care Authority (the Agency) will:

- Incorporate the Year 2012 Current Procedural Terminology (CPT®) and Healthcare Common Procedural Coding System (HCPCS) updates into the Outpatient Hospital and Outpatient Prospective Payment System (OPPS) Fee Schedules;
- Implement coverage, authorization, and maximum unit policy changes; and
- Update Budget Target Adjuster and OPPS rate information

Fee Schedule Updates

Effective for dates of service on and after January 1, 2012, the Agency will incorporate the Year 2012 CPT and HCPCS code updates into the Outpatient Hospital and OPPS Fee Schedules.

The Agency generally follows Medicare policy. When Agency policy differs from Medicare policy, the variance is identified in Agency rules, numbered memos, and billing instructions, as appropriate. The Agency Outpatient fee schedules reflect the Agency's determination regarding rates and coverage.

Updates to the Outpatient Prospective Payment System (OPPS) and Outpatient Hospital Fee Schedule will be available online at: <http://hrsa.dshs.wa.gov/RBRVS>

Note: Due to its licensing agreement with the American Medical Association (AMA) regarding the use of CPT codes and descriptions, the Agency publishes only the official brief descriptions for all codes. Please refer to your current CPT book for full descriptions.

Bill the Agency your usual and customary charge.

Coverage Changes

If an ambulatory payment classification payment (APC) is not applicable, the alternate payment method will apply.

Effective for dates of service on and after January 1, 2012, the Agency will change the following procedure code **from noncovered to covered**:

Prior Authorization Requirement	Procedure Code	Brief Description	Coverage Indicator	Max Units	Alternate Payment Method
PA	0184T	Exc rectal tumor endoscopic	1	1	*RCC
PA	C9285	Patch, lidocaine/tetracaine	1	UR	RCC

*RCC = Ratio of Cost to Charges

Effective for dates of service on and after January 1, 2012, the Agency will change the following procedure codes **from covered to noncovered**:

Procedure Code	Brief Description
G0425	Inpt/ED teleconsult30
G0426	Inpt/ED teleconsult50
G0427	Inpt/ED teleconsult70

Authorization Requirement Changes

Effective for dates of service on and after January 1, 2012, the Agency will require **prior authorization (PA)** for the following procedure codes:

Procedure Code	Brief Description	Prior Authorization
77301	Radiotherapy dose plan imrt	PA
77418	Radiation tx delivery imrt	PA
Q2043	Sipuleucel-T auto CD54+	PA

Maximum Unit Limit Changes

Effective for dates of service on and after January 1, 2012, the Agency will apply the following Maximum Unit Limit changes for the following procedure codes:

Procedure Code	Brief Description	Daily Maximum Units
G0173	Linear acc stereo radsur com	1 (1/year)
G0251	Linear acc based stero radio	1 (5/year)
82803	Blood gases any combination	3
82948	Reagent strip/blood glucose	4
84132	Assay of serum potassium	2
84484	Assay of troponin quant	3
87015	Specimen concentration	2
87040	Blood culture for bacteria	2
87046	Stool cultr bacteria each	3
87070	Culture bacteria other	2
87075	Cultr bacteria except blood	2
87076	Culture anaerobe ident each	2
87116	Mycobacteria culture	2
87177	Ova and parasites smears	2
87184	Microbe susceptible disk	3
87186	Microbe susceptible mic	3
87205	Smear gram stain	2
87210	Smear wet mount saline/ink	2
87324	Clostridium ag eia	2
88104	Cytopath fl nongyn smears	2
88185	Flowcytometry/tc add-on	25
88305	Tissue exam by pathologist	2
88307	Tissue exam by pathologist	2
88311	Decalcify tissue	2
88312	Special stains group 1	2
88313	Special stains group 2	3
92133	Cmptr ophth img optic nerve	1 (1/year)
92134	Cptr ophth dx img post segmt	1 (2/year)
96366	Ther/proph/diag iv inf addon	4

OPPS Budget Target Adjustor and Hospital Rates

The Agency will apply a new target adjustor and new hospital rates as follows:

- **Effective January 1, 2012**, the Budget Target Adjustor value will be **0.753**.
- **Effective February 1, 2012**, the Budget Target Adjustor will be revised to reflect the December release of the Outpatient Code Editor.
- **Effective January 1, 2012**, the hospital specific Outpatient Prospective Payment System (OPPS) rates will change.
- During the month of December, the Agency will issue rate notices to hospitals.

Note: Please refer to the Agency's website for details on budget related policy changes. Make sure you check this website often as the Agency may make changes to this information: <http://hrsa.dshs.wa.gov/News/Budget.htm>.

How Can I Get the Agency Provider Documents?

To download and print the Agency provider numbered memos and billing instructions, go to the Agency website at: <http://hrsa.dshs.wa.gov> (click the ***Billing Instructions and Numbered Memorandum*** link).